

**§ 111.0 Scope.**

This part sets forth regulations providing for the licensing of, and granting of permits to, persons desiring to transact customs business as customs brokers, the qualifications required of applicants, and the procedures for applying for licenses and permits. This part also prescribes the duties and responsibilities of brokers, the grounds and procedures for disciplining brokers, including the assessment of monetary penalties, and the revocation or suspension of licenses.

[T.D. 86-161, 51 FR 30340, Aug. 26, 1986]

**Subpart A—General Provisions****§ 111.1 Definitions.**

When used in this part, the following terms shall have the meanings indicated:

*Broker.* “Broker” means “customs broker”.

*Customs broker.* “Customs broker” means a person who is licensed under this part to transact customs business on behalf of others.

*Customs business.* “Customs business” means those activities involving transactions with Customs concerning the entry and admissibility of merchandise, its classification and valuation, the payment of duties, taxes, or other charges assessed or collected by Customs upon merchandise by reason of its importation, or the refund, rebate, or drawback thereof.

*District.* “District” means the geographic area covered by a Customs broker permit issued under this part. A listing of each district, and the ports thereunder, will be published on or before October 1, 1995, and whenever updated.

*District director.* “District director” means the port director of Customs at the port designated as a district for purposes of this part.

*Freight forwarder.* “Freight forwarder” means a person engaged in the business of dispatching shipments on behalf of other persons for a consideration in foreign commerce between the United States, its territories or possessions, and foreign countries, and of handling the formalities incident to such shipments.

*Officer of an association or corporation.* “Officer of an association or corporation” means a person who has been elected, appointed, or designated as an officer of an association or corporation in accordance with statute, the articles of incorporation, articles of agreement, charter, or bylaws of the association or corporation.

*Person.* “Person” includes individuals, partnerships, associations, and corporations.

*Records.* “Records” means those documents identified in § 162.1a of this chapter and kept as provided in § 162.1b of this chapter.

*Region.* “Region” means the geographic area covered by a waiver issued pursuant to § 111.19(d).

*Treasury Department or any representative thereof.* “Treasury Department or any representative thereof” includes any office, officer, or employee of the Treasury Department, wherever located.

[T.D. 70-134, 35 FR 9254, June 13, 1970, as amended by T.D. 70-224, 35 FR 16243, Oct. 16, 1970; T.D. 86-161, 51 FR 30340, Aug. 26, 1986; T.D. 95-77, 60 FR 50019, Sept. 27, 1995]

**§ 111.2 License and district permit required.**

A person shall obtain the license provided for in this part in order to transact the business of a broker. A separate permit is required for each Customs district in which a licensee conducts customs business.

[T.D. 86-161, 51 FR 30340, Aug. 26, 1986]

**§ 111.3 Transactions for which license is not required.**

A license is not required to engage in the following transactions with the Treasury Department or any representative thereof:

(a) *For one's own account.* An importer or exporter transacting Customs business solely on his own account and in no sense on behalf of another is not required to be licensed, nor are his authorized regular employees or officers who act only for him in the transaction of such business.

(b) *As employee of brokers.* An employee of a broker, acting solely for his employer, is not required to be licensed where: